RBZ Jewellers Limited

February 10, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	24.89 (Enhanced from 20.66)	CARE BBB+; Stable	Reaffirmed
Long-term / Short-term bank facilities	89.30	CARE BBB+; Stable / CARE A3+	Assigned
Long-term / Short-term bank facilities	185.81 (Enhanced from 129.34)	CARE BBB+; Stable / CARE A3+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of RBZ Jewellers Limited (RBZ) continue to derive strength from its promoters' vast experience, established track record in jewellery manufacturing, strong customer profile in wholesale jewellery segment, growth in RBZ's scale of operations, and its healthy profitability. Ratings also derive strength from its comfortable financial risk profile and adequate liquidity.

However, these rating strengths are partially offset by RBZ's high geographical concentration risk in its retail jewellery segment and working capital intensive operations, owing to large inventory requirement. Ratings also factor in susceptibility of RBZ's profitability to volatility in gold prices, inherent regulatory risks, and intense competition from large organised and local unorganised players limiting its pricing flexibility.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors:

- Improvement in scale of operations above ₹800 crore while maintaining its profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin on a sustained basis.
- Improvement in working capital cycle below 150 days.

Negative factors:

- Decline in scale of operation below ₹400 crore or PBILDT margin below 10% leading to decline in cash accruals and pressure on coverage indicators.
- Deterioration in overall gearing over 1x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that RBZ will benefit from its experienced promoters, well-established operational track record, and comfortable financial risk profile.

Detailed description of key rating drivers:

Key strengths

Experienced promoters with an established track record in jewellery manufacturing

RBZ is engaged in jewellery manufacturing and operates in the wholesale and retail segment. The company is currently managed by Rajendrakumar Kantilal Zaveri, Managing Director, having over three decades of experience in jewellery manufacturing industry, and is supported by his son, Harit Rajendrakumar Zaveri, Joint Managing director, who has over 15 years of industry experience. The promoters are actively involved in the company's strategic decisions and their experience has benefitted the company to form long-standing relationships with key suppliers and customers. Promoters are assisted by a team of well-qualified professionals leading critical corporate functions.

Well-established and reputed clientele base in wholesale jewellery segment

RBZ has long-standing relationship with its key customers across 19 states and 72 cities in the wholesale segment. The clientele includes prominent national retailers, including Titan Company Limited, Malabar Gold Private Limited, Senco Gold Limited, and PN

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Gadgil Jewellers Limited among others. RBZ has an in-house design development team, which develops designs according to the latest market trends and customer preferences.

Growing scale of operations with healthy profitability

RBZ has reported continuous increase in its total operating income (TOI) marked by compounded annual growth rate (CAGR) of 49.16% in the last five years ended on March 31, 2025. RBZ's TOI grew by 61.91% y-o-y to ₹530.15 crore in FY25 (FY24: ₹327.44 crore) backed by volume-backed growth in retail jewellery segment, which accounted for ~61% of TOI. The average revenue per square feet in B2C segment has improved to ~₹2.78 lakh in FY25 compared to ~₹1.61 lakh in FY24. Wholesale jewellery segment and job work segment also registered volume growth in FY25. RBZ recorded job work income of ₹8.22 crore in FY25 (FY24: ₹7.71 crore) and wholesale segment contributed ₹198.02 crore in FY25 (FY24: ₹130.12 crore). In H1FY26, RBZ reported TOI of ₹220.67 crore supported by increase in gold prices while sales volume moderated by 20% compared to H1FY25.

RBZ's PBILDT margin remained healthy in FY25 at 12.20% (FY24: 11.75%) and profit after taxation (PAT) margin remained at 7.32% (FY24: 6.59%). In H1FY26, PBILDT and PAT margins improved to 18.73% and 11.63%, respectively, mainly considering increase in gold prices resulting in inventory gain. Going forward, CareEdge Ratings' expects the company's PBILDT margin to remain in range of 12%-13%.

Comfortable financial risk profile

RBZ's capital structure remained comfortable marked by overall gearing of 0.37x as of March 31, 2025, compared to 0.34x as on March 31, 2024. With increase in operating profitability, debt coverage indicators have improved marked by an interest coverage of 6.51x in FY25 (FY24: 4.89x) and total debt/ gross cash accruals (GCA) of 2.19x as on March 31, 2025 (2.99x as on March 31, 2024).

However, with continuous increase in gold prices and expansion of jewellery retail operations resulting in increased working capital intensity, the working capital borrowings increased in H1FY26, resulting in moderation in overall gearing to 0.56x as on September 30, 2025. However, interest coverage ratio improved to 8x in H1FY26 with increased profitability.

Key weaknesses

Working capital intensive operations

Jewellery retail business is inherently working capital intensive because of the optimal inventory required to be maintained at the store to display varied designs of jewellery to customers. Amount of inventory maintained is also seasonal in nature with higher levels prior to festive seasons.

In the wholesale jewellery segment, apart from finished good stock to display designs, RBZ maintains inventory based on confirmed orders and extends credit up to 30 days. This requires significant investment in working capital, covering both the production cycle and the debtor collection period. As RBZ also maintains the inventory for job work, its working capital cycle remained elongated to 207 days in FY25 (FY24: 243 days).

Exposure to volatility in gold prices; mitigated to a certain extent by inventory replenishment

Key raw material, Gold, constituting over 75-80% of its total cost, has exhibited sharp volatility in the past and continues to be driven by global demand-supply dynamics, economic growth, forex, and interest rates, among others. Moreover, jewellery demand is largely discretionary and is directly linked with macroeconomic factors such as disposable income, inflation levels, and consumer sentiments, among others. However, inventory replenishment model followed by RBZ helps in mitigating risk associated with volatility in gold prices to an extent.

High geographical concentration risk in retail segment and intense competition from organised and unorganised players

RBZ operates its sole jewellery retail outlet in Ahmedabad to serve its B2C segment, exposing its retail business to significant geographic concentration risk. However, the management has planned to diversify its geographical presence by opening two new stores in Surat and Rajkot each which is expected to be operational by Q2FY27. Owing to increasing disposable income, multiple national players and family-owned and operated chains have ventured in the jewellery retail market in the recent years. Additionally, expanding online presence by players has increased the product portfolio options for end-consumers. These factors combined, limit the pricing flexibility and lead to minimum scope for margin expansion.

Liquidity: Adequate

RBZ has adequate liquidity marked by moderate utilisation of working capital limits, healthy GCA against low debt repayment obligations and moderate inventory turnover ratio. The average utilisation of its fund-based working capital limits remained 81%

in the last 12 months ended in December 2025. RBZ is likely to generate cash accruals of ₹50-90 crore against low term debt obligations of ~₹1.50 – 3.50 crore in the projected period of FY26–FY28. While cash flow from operations was negative at ₹14 crore in FY25 majorly due to increase in inventory, unencumbered cash and bank balance was ~₹2.30 crore as on September 30, 2025. Considering the gold quantity processed/ sold (including job work sales) the adjusted inventory turnover would be 3.72x in FY25.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

- Definition of Default
- Liquidity Analysis of Non-financial sector entities
- Rating Outlook and Rating Watch
- Manufacturing Companies
- Financial Ratios – Non financial Sector
- Retail
- Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Gems, jewellery and watches

Incorporated in 2008, Ahmedabad-based RBZ jewellers Limited (RBZ; CIN: L36910GJ2008PLC053586) is engaged in designing and manufacturing wide range of antique gold jewellery for prominent clientele on wholesale and job-work basis. The company also operates a showroom under the brand name "Harit Zaveri", spread over 12,597 sq. ft. in Ahmedabad as on December 31, 2025.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	327.44	530.15	220.67
PBILDT*	38.49	64.69	41.18
Profit after tax (PAT)	21.57	38.80	25.69
Overall gearing (x)	0.34	0.37	0.56
Interest coverage (x)	4.89	6.51	8.03

A: Audited; UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation, and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	05/02/2038	24.89	CARE BBB+; Stable
Fund-based - LT/ ST-Cash Credit		-	-	-	180.81	CARE BBB+; Stable / CARE A3+
Fund-based/Non-fund-based-LT/ST		-	-	-	89.30	CARE BBB+; Stable / CARE A3+
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	5.00	CARE BBB+; Stable / CARE A3+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT/ ST-Cash Credit	LT/ST	180.81	CARE BBB+; Stable / CARE A3+	-	1)CARE BBB+; Stable / CARE A3+ (04-Feb-25)	-	-
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	5.00	CARE BBB+; Stable / CARE A3+	-	1)CARE BBB+; Stable / CARE A3+ (04-Feb-25)	-	-
3	Fund-based - LT-Term Loan	LT	24.89	CARE BBB+; Stable	-	1)CARE BBB+; Stable (04-Feb-25)	-	-
4	Fund-based/Non-fund-based-LT/ST	LT/ST	89.30	CARE BBB+; Stable / CARE A3+				

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Fund-based/Non-fund-based-LT/ST	Simple
4	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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